

Attorney General Raoul Announces \$3.1 Billion Settlement With Walmart Over Opioid Epidemic Allegations

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CHICAGO - Attorney General Kwame Raoul today announced he has reached a settlement with Walmart to resolve allegations that the company contributed to the opioid addiction crisis by failing to appropriately oversee the dispensing of opioids at its stores.

The settlement provides more than \$3 billion nationally and requires significant improvements to how Walmart's pharmacies handle opioids. Seventeen state attorneys general on the executive committee, attorneys representing local governments and Walmart have agreed to this settlement, which has been sent to other states for review and approval. The settlement is effective upon approval by 43 states and a population representing 85% of local government units.

"Too many families have lost loved ones to the opioid epidemic, and too many people have lost years of their lives to addiction," Raoul said. "The companies that created and fueled this crisis must be held accountable for providing treatment and recovery resources to help those who suffer from opioid addiction. This \$3.1 billion deal with Walmart builds on the important progress we've already achieved through settlements with opioid manufacturers and distributors."

Raoul said the settlement includes broad, court-ordered requirements, such as robust oversight to prevent fraudulent prescriptions and to flag suspicious prescriptions. The \$3.1 billion settlement will be divided by sign-on states, local governments and tribes, and will prioritize abatement and remediation of the opioid crises.

The parties are optimistic the settlement will gain support of the 43 required states by the end of 2022, allowing local governments to join the deal during the first quarter of 2023. Should the settlement become effective, funds will be allocated in Illinois according to the Illinois Opioid Allocation agreement that Raoul reached with State's Attorneys in December 2021. Last month, states confirmed that promising negotiations were also underway with Walgreens and CVS. The parties continue their efforts to achieve those agreements.

The settlement with Walmart is the latest of Attorney General Raoul's ongoing efforts to combat the opioid epidemic and hold accountable companies whose deceptive practices have increased opioid prescriptions at the expense of public health. It comes after Raoul's office announced reaching an agreement in principle with opioid manufacturer Teva that would provide up to \$4.25 billion once finalized and an agreement in principle with former opioid maker Allergan that, once finalized, would require the company to pay up to \$2.37 billion to participating states and local governments to assist in battling the opioid epidemic.

Earlier this year, Raoul's office negotiated the Illinois Opioid Allocation Agreement. The agreement is intended to ensure the approximately \$760 million Illinois will receive through the historic national \$26 billion opioid settlement agreement with the nation's three major pharmaceutical distributors and Johnson & Johnson, and these additional

opioid settlements, are allocated equitably to counties and municipalities. The majority of Illinois' money will go to the Illinois Remediation Fund to be used for abatement programs throughout the state.

Attorney General Raoul joined attorneys general from California, Colorado, Connecticut, Delaware, Indiana, Iowa, Louisiana, Massachusetts, New York, North Carolina, Nebraska, Ohio, Pennsylvania, Rhode Island, Tennessee and Texas as the lead negotiators on this deal.